

March 15, 2005

A regular meeting of the Redmond City Council was called to order by Mayor Rosemarie Ives at 7:32 p.m. in the Council Chambers. Councilmembers present were: Cole, Marchione, McCormick, Paine, Resha, Robinson and Vache.

ANNOUNCEMENTS

The Mayor announced that, following the regular meeting, the Council would hold an executive session for approximately thirty minutes to discuss property acquisition.

PRESENTATION: 49 FIRS NEIGHBORHOOD MATCHING FUNDS

The Mayor presented a check for Neighborhood Matching Funds to the 49 Firs Neighborhood.

ITEMS FROM THE AUDIENCE

Curt Bateman, speaking on behalf of the Board of Directors, Lake Washington Youth Soccer Association, 12525 Willows Road, Kirkland 98034, presented the Council with a plaque expressing appreciation to the Mayor, Council, Park Board, Parks and Recreation Department and other city staff for making Perrigo Park an outstanding recreational resource in the community.

Arnold Tomac, 18119 NE 30 Street, representing Redmond's Bicycle-Pedestrian Advisory Committee, commented on future bicycle facility projects:

- The Committee supports bike lanes on 148 Avenue NE and 156 Avenue NE.
- The Washington State Department of Transportation will not allow new access points onto the State Route 520 trail.
- Microsoft has included bicycle lines on the draft site plan.
- Old Redmond Road should be tied to the SR 520 trail.
- If the city extends the three-lane configuration north on 166 Avenue NE, up Education Hill, bicycle lanes should be added because they provide a buffer between pedestrians and cars.

Mr. Tomac said the Trails Commission and the Bicycle-Pedestrian Advisory Committee would be coming back to the Council with suggestions for interconnection points between neighborhoods that the Council might want to consider.

Todd Woosley, representing Seattle-King County Association of Realtors, 1001 NE 12 Street, Bellevue 98004, requested that the Council distinguish real estate signs from commercial signs and revise the

proposed ordinance to better reflect the Council's policy interest.

CONSENT AGENDA

Motion by Ms. McCormick, second by Mr. Resha, to approve the following items of the Consent Agenda:

- (1) approve the minutes of the regular meeting of March 1, 2005
- (2) approve the following payroll/direct deposit and claims checks:

PAYROLL/DIRECT DEPOSIT CHECKS:

#161231 through 161324; and
#134910 through 135492 \$1,155,911.39

CLAIMS CHECKS:

#303976 through 304325 \$2,182,182.20

- (3) appoint Thomas Hitzroth and Dave Eggleston to the Landmark and Heritage Commission
- (4) approve an Interlocal Agreement with King County for regional groundwater protection activities, and authorize the Mayor to appoint a staff member to serve as the City of Redmond's authorized representative for the Redmond-Bear Creek Groundwater Committee
- (5) approve that Ivary & Associates is the most qualified firm to provide architectural services for the Police/Evidence/Vehicle Processing Area, Project No. 100785 (04-CI-90); that the fair and reasonable price is \$110,000 plus \$15,000 for contingencies for a total amount of \$125,000; and authorize the Mayor to sign the agreement
- (6) approve a new funding structure of the hotel-motel tax distribution to allow a three-

pronged approach to funding; fifty percent toward a designated tourism program, thirty-nine percent toward city special events and arts programs that encourage tourism, nine percent toward matching grants that encourage tourism, and two percent to cover administration costs; and change the recommending committee from the administrative funding review group to the Lodging Tax Advisory Committee

- (7) authorize the Mayor to execute an agreement with King County to install and maintain a bus shelter at the bus stop in front of Redmond Center along Redmond Way.

Motion carried unanimously (7 - 0).

OATH OF OFFICE

James E. Haney, City Attorney, administered the Oath of Office to new Landmark and Heritage Commissioners Thomas Hitzroth and Dave Eggleston.

ORDINANCE: EMERGENCY INTERIM ORDINANCE AMENDING THE SIGN CODE FOR COMMERCIAL PORTABLE SIGNS BEING DISPLAYED IN PUBLIC RIGHT-OF-WAY AND CLARIFYING DEFINITION OF POLITICAL SIGNS

The Mayor, in a memorandum to the Council dated March 15, 2005, recommended adoption of the emergency ordinance regarding portable, commercial and political signs.

Councilmember Paine said he asked that this item be pulled from the Consent Agenda because a key element in the emergency ordinance would allow every business in the city to put out a sign in the public right-of-way, which would invite even more clutter around our streets as well as being unsightly. Also, he did not think sandwich board signs were necessary to advertise apartments; there are a number of other ways to advertise, such as mail, newspaper and flyers. He concluded that he would prefer that the city not allow portable signs and would, therefore, not vote for the ordinance.

In response to a question from Councilmember Robinson, James E. Haney, City Attorney, explained that the

city's current prohibition on offsite portable signs has been ruled to be unconstitutional. He said, hopefully, the court will rule later this year on the city's appeal. This regulation is supposed to provide some minimal relief while the city's appeal goes through the process, he noted. He concluded the consequence of the Council not passing the emergency ordinance is that the city would continue to not be able to enforce its regulations.

Councilmember Vache suggested adding the phrase: "or impede drivers' vision" to the end of the first sentence in Section 2, part (1)(C) on page three of the proposed ordinance.

Motion by Mr. Vache, second by Mr. Cole, to adopt Ordinance No. 2253, amending the Redmond Community Development Guide to limit the time, place and manner of portable, commercial signs that are being displayed in the City of Redmond, and clarifying the definition of political signs, with the language above as proposed by Mr. Vache.

Ordinance No. 2253, amending Chapters 20D.160.10 and 20A.20 of the Redmond Community Development Guide; adopting interim regulations for portable signage; clarifying the definition of political signs; declaring an emergency; providing for severability; setting a public hearing date; and providing for immediate effect, was presented and read.

Upon a poll of the Council, Cole, Marchione, McCormick, Resha, Robinson and Vache voted aye. Motion carried (6 - 1) with Paine voting nay.

PUBLIC HEARING - DISCUSSION AND RESOLUTION REGARDING
PROPOSED MICROSOFT DEVELOPMENT AGREEMENT (quasi-judicial)

The Mayor, in a memorandum to the Council dated March 15, 2005, recommended approval of the Microsoft Development Agreement with modifications.

The Mayor opened the public hearing at 8:09 p.m.

The Mayor announced that she received a request to change the rules so that Microsoft representatives would have 15 minutes for their presentation. The Council concurred with the request.

March 15, 2005

Councilmember Resha disclosed that a Microsoft representative sits on the Board of Directors for the Greater Redmond Transportation Management Association for which he is the Executive Director.

Councilmember Cole noted that the Councilmembers received an email commenting on the proposed development agreement.

Rob Odle, Policy Planning Manager, gave an overview of the Microsoft Development Agreement proposal.

James E. Haney, City Attorney, explained the State Environmental Policy Act appeal by the City of Bellevue of the Planned Action Ordinance, if the issue is not resolved through the BROTS (Bellevue-Redmond Overlake Transportation Study) dispute resolution process. He said the public could provide testimony tonight regarding the development agreement, but the appropriate parties for the appeal are the city, Microsoft and Bellevue.

Brad Smith, Senior Vice President, Microsoft Corporation, presented Microsoft's twenty-year plan.

Jim Stanton, Senior Community Affairs Manager, Microsoft Real Estate and Facilities, presented Microsoft's response to the staff recommendations on the proposed development agreement as outlined in a memorandum to the Mayor and City Council dated March 15, 2005.

Christine Hoffman, 18240 NE 95 Court, President and Chief Executive Officer, Greater Redmond Chamber of Commerce, distributed a letter to the Council and stated the Chamber supports the proposed development agreement because it would increase employment and add an infusion of healthy economic vitality in the City of Redmond. She said the Chamber also urges the Council to support Microsoft's proposed parking plan.

James Binder, 3010 142 Place, Bellevue 98007, representing Bridle Trails Homeowners Association and Bridle Trails Community Club, expressed concerns about traffic impacts to the Bridle Trails neighborhood. He said Bridle Trails residents urge the city and Microsoft to include an element in the development agreement to encourage traffic to use major arterials and thoroughfares and discourage neighborhood cut-through traffic.

Cindy Ludwig, Co-President, Bridle Trails Community Club, 12336 NE 24 Street, Bellevue 98005, said she has observed a large amount of traffic cutting through the

Bridle Trails neighborhood creating considerable traffic impacts in the neighborhood. She stated infrastructure improvements should be done at the same time as new Microsoft buildings are constructed.

Heidi Benz-Merriitt, 3006 130 Place, Bellevue 98005, said there is no way to connect existing streets on the Microsoft campus over the freeway because of the lack of a grid system, so employees are forced onto arterial streets. She suggested that the Microsoft Development Agreement include additional incentives for employees to reduce single-occupancy vehicle trips.

Norm Hansen, Bridle Trails resident at 3851 136 Avenue NE, Bellevue 98005, said he has been involved in the BROTS process and believes Microsoft's twenty-year plan is a good one. He noted the agreement provides an opportunity to address neighborhood impacts, and the neighborhood can work together with Microsoft to address them.

Peter Montgomery, 5023 NE 148 Avenue, Apartment G-208, Bellevue 98008, supported the construction of an overpass in vicinity of 29 Avenue NE to facilitate pedestrians crossing SR 520.

Molly Lawrence, 2025 First Avenue, Suite 500, Seattle 98121, representing Nintendo, distributed a letter and said Nintendo supports the proposed Microsoft Development Agreement, but is concerned that approval of the development agreement will exceed the BROTS square footage cap. She stated that Nintendo is suggesting that the "holdback" square footage proposed by Microsoft be increased as outlined in Attachment A to Nintendo's letter dated March 15, 2005.

Bruce Meyer, Vice President for Real Estate, Nintendo, said Nintendo will be submitting a development agreement application to the Council next month, and wants to insure that Nintendo receives consideration of development under the BROTS.

Richard Borkowski, President, People for Modern Transit, encouraged Redmond to consider light rail and high capacity transit technology in the SR 520 corridor as part of the solution to addressing the impacts of a tremendous influx of new Microsoft employees.

Martin Nizlek, 312 West Lake Sammamish Parkway, Bellevue, President, West Lake Sammamish Association, said the Association is encouraged that the city and Microsoft are discussing reduction of traffic impacts in the Bellevue/Redmond/Overlake area.

Anirudh Sahni, 417 Harvard Avenue E, Seattle, 98102, a former Microsoft employee, was enthusiastic about the increase in the Microsoft work force, but was concerned about parking ratios with the increased employment density on the Microsoft Campus. He said Microsoft should encourage alternative modes of transportation. He noted that, while he was at Microsoft, he worked to develop employee information regarding the transit system. He suggested that the city consider strengthening the language in the Microsoft Development Agreement with regard to transportation demand management.

RECESS

The Mayor declared a recess at 9:28 p.m. The meeting reconvened at 9:44 p.m.

Jim Mantell, 14206 NE 40 Place, Bellevue 98007, said he would like the Bridle Trails neighborhood to be involved in helping to craft a transportation plan that addresses Microsoft's concerns and protects the streets in the Bridle Trails neighborhood.

Ken Schiring, 16223 NE 26 Street, Bellevue 98008, said the Sherwood Forest neighborhood is having neighborhood meetings to discuss the impacts of the Microsoft proposal on traffic in the Overlake area and on the neighborhood. He added the residents are concerned about the increased traffic on 164 Avenue NE with the proposed exit from the Microsoft Campus on NE 30 Street.

Linda Lowe-Sheedy, 15923 NE 27 Place, Bellevue 98008, former Transportation Commissioner in the City of Bellevue, said one of the projects that was considered early in the BROTS was signalization at NE 30 Street across from the proposed exit from the Microsoft Campus onto Bellevue-Redmond Road. She said the Sherwood Forest neighborhood is concerned about having signalization at NE 30 Street, and will be meeting with the City of Bellevue tomorrow night to discuss the traffic impacts in the neighborhood if the exit is constructed as proposed.

There was consensus to continue the public hearing for written testimony until March 22, 2005.

James E. Haney, City Attorney, said if the Council desires to keep the hearing open beyond March 22, it will be necessary to schedule a Special Meeting in order to continue the dialogue with staff. After the Council hears the Bellevue SEPA appeal, if that issue is not resolved through the BROTS dispute resolution

process, the hearing can be closed, and the Council can then make a decision, he concluded.

REPORTS

Staff Report - July Fourth Celebration

Danny Hopkins, Parks and Recreation Department Director, gave a report on the history of the July Fourth event and the plans for this year. He said King County will charge Redmond the full rate to use Marymoor because the county has scheduled a three-day music festival on that weekend. He explained that staff have been in discussions with surrounding cities to determine their interest in working together to produce a July Fourth event. The City of Woodinville has provided an opportunity to partner with them and promote the Sammamish Valley concept. It would cost Redmond less than \$20,000 and would take place in the Sammamish Valley on private property outside the St. Michelle Winery, he concluded.

Addressing a concern from the Council about how people would reach the site, Debra Churchill, Parks and Recreation Department Program Manager, said Redmond would offer a shuttle from Redmond Town Center to the event site. She added that partnering with Woodinville would substantially reduce our operating costs.

Staff Report - Water Conservation

David Rhodes, Public Works Director, said the city does not yet have a water conservation plan in place in the event of potential water restrictions this summer, but believes it will be important to be as conservative with our water as possible. He stated the staff intends to partner with our neighboring jurisdictions to coordinate a plan. He added conservation information will be publicized, probably through utility bills.

OMBUDSMAN REPORT

Councilmember Resha noted that the Council had received comments about the Transportation Master Plan.

Councilmember Marchione received a call from a citizen concerned that the city's tenant improvements process is taking longer than usual. He said he contacted Jim Roberts, Deputy Planning Director, about it.

March 15, 2005

REDMOND MUNICIPAL CAMPUS CENTRAL PARK MASTER PLAN

The Mayor, in a memorandum to the City Council dated March 15, 2005, recommended adoption of the Redmond Municipal Campus Central Park Master Plan.

Motion by Ms. McCormick, second by Mr. Resha, to approve the Redmond Municipal Campus Central Park Master Plan as recommended by the Redmond Park Board.

Councilmember Cole had a concern that Phases 2-9 are projected to cost \$11 million and are, currently, unfunded. He noted these projects are not as high a priority for him as other projects. Councilmember Paine added that all projects on the long-term horizon should be discussed.

Motion carried unanimously (7 - 0).

EXECUTIVE SESSION AND ADJOURNMENT

At 10:25 p.m. the Council held an executive session on property acquisition for approximately 30 minutes. There being no further business to come before the Council, the Mayor declared the meeting adjourned at 11:04 p.m.

MAYOR

CITY CLERK